

United States Senate

WASHINGTON, DC 20510

May 26, 2017

The Honorable Ajit Pai  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Dear Chairman Pai:

I write in support of the Pennsylvania Public Utility Commission's (PaPUC) request that the Connect America Fund Phase II (CAF II) funding declined by Pennsylvania companies stay within the state and finance Pennsylvania broadband infrastructure.

During the most recent disbursement of Universal Service Fund monies, nearly \$140 million in existing CAF II funding was declined by a major service provider in Pennsylvania. This CAF II funding was originally intended to support broadband Internet deployment in rural, high-cost areas across Pennsylvania, but the Federal Communications Commission (FCC) may now reallocate this financial support to other states. While rural portions of Pennsylvania still lack advanced Internet accessibility, the FCC should not continue to tax Pennsylvania ratepayers and then send those monies to other regions of the country for broadband improvements.

It is my understanding that on January 26, 2017, the FCC agreed to a similar request made by the state of New York. As you know, New York has approximately 430,000 residents without access to advanced telecommunications products whereas Pennsylvania has more than 800,000. These figures further illustrate the need to retain federal funds within the Commonwealth.

I respectfully ask that the FCC convey the same consideration to Pennsylvania as it did for New York and honor the PaPUC's petition for reconsideration. As the FCC considers this request, it is important to recognize that the declined CAF II disbursements were originally allocated for infrastructure improvements in Pennsylvania and should continue to support Pennsylvania ratepayers, who would otherwise lose out to ratepayers in other states.

Thank you for your attention to this matter.

Sincerely,



Pat Toomey  
U.S. Senator



OFFICE OF  
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

June 20, 2017

The Honorable Patrick J. Toomey  
United States Senate  
248 Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator Toomey:

Thank you for your letter in support of a petition for reconsideration filed by the Pennsylvania Public Utility Commission and the Pennsylvania Department of Community and Economic Development, which requests a modification to the Connect American Fund (CAF) Phase II competitive bidding process rules. Your views are very important and will be entered into the record of the proceeding and considered as part of the Commission's review.

The Commission's Wireline Competition Bureau (WCB) sought public comment on the petition for reconsideration, and the comment cycles on the matter have been completed. Commission staff is carefully reviewing the record in the proceeding. I can assure you that we will take into consideration the issues and concerns presented by all stakeholders as the Commission makes every effort to conclude its review as quickly and equitably as possible.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, which appears to read "Ajit V. Pai".

Ajit V. Pai